

THIS APPENDIX IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

This Appendix is circulated to the shareholders of Swissco Holdings Limited (the “**Company**”) together with the Company’s Annual Report 2014 (as defined herein). Its purpose is to explain to the shareholders of the Company (the “**Shareholders**”) the rationale and to provide information pertaining to: (a) the adoption of the proposed Share Buyback Mandate (as defined herein); (b) the proposed alterations to the Swissco Holdings Performance Share Plan (the “**Plan**”); (c) the proposed participation of Mr. Tan Fuh Gih, a Controlling Shareholder (as defined herein) and an Executive Director, in the Plan (as proposed to be altered); (d) the proposed grant of Awards (as defined herein) under the Plan to Mr. Tan Fuh Gih; and (e) the Proposed Change of Auditors (as defined herein), and to seek Shareholders’ approval of the same at the Annual General Meeting to be held on **29 April 2015 at 10.00 a.m. at Republic of Singapore Yacht Club, 52 West Coast Ferry Road, Singapore 126887.**

The Notice of Annual General Meeting and Proxy Form are enclosed with the Annual Report 2014.

If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, accountant, solicitor or other professional adviser immediately.

If you have sold or transferred all your shares in the capital of the Company, you should immediately forward the Annual Report 2014 (including the Notice of Annual General Meeting and the Proxy Form) and this Appendix to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

For investors who have used their Central Provident Fund (“**CPF**”) monies to buy shares in the capital of the Company, this Appendix is forwarded to them at the request of their CPF approved nominees and is sent solely for information only.

The Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) assumes no responsibility for the contents of this document including the accuracy of any of the statements or opinions made, or reports contained in this document.



SWISSCO

SWISSCO HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration No. 200404711D)

APPENDIX

TO THE NOTICE OF ANNUAL GENERAL MEETING DATED 13 APRIL 2015

IN RELATION TO:

- (1) THE PROPOSED ADOPTION OF THE SHARE BUYBACK MANDATE;**
- (2) THE PROPOSED ALTERATIONS TO THE SWISSCO HOLDINGS PERFORMANCE SHARE PLAN;**
- (3) THE PROPOSED PARTICIPATION OF MR. TAN FUH GIH, A CONTROLLING SHAREHOLDER AND EXECUTIVE DIRECTOR OF THE COMPANY, IN THE SWISSCO HOLDINGS PERFORMANCE SHARE PLAN;**
- (4) THE PROPOSED GRANT OF AWARDS UNDER THE SWISSCO HOLDINGS PERFORMANCE SHARE PLAN TO MR. TAN FUH GIH, A CONTROLLING SHAREHOLDER AND EXECUTIVE DIRECTOR OF THE COMPANY; AND**
- (5) THE PROPOSED CHANGE OF AUDITORS FROM PRICEWATERHOUSECOOPERS LLP TO KPMG LLP.**

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DEFINITIONS

In this Appendix, the following definitions apply throughout unless the context otherwise requires or it is otherwise stated:

- “2010 Circular”** : The Company’s circular to Shareholders dated 15 October 2010.
- “ACRA”** : The Accounting and Corporate Regulatory Authority of Singapore.
- “AGM”** : Annual General Meeting of the Company. Unless the context otherwise requires, **“AGM”** shall refer to the annual general meeting to be held on 29 April 2015.
- “Annual Report 2014”** : The Company’s annual report for the financial year ended 31 December 2014.
- “Appendix”** : This appendix to the Notice.
- “Approval Date”** : Has the meaning ascribed to it in Section 2.2(i) of this Appendix.
- “Articles of Association”** : The articles of association of the Company, as amended, modified or supplemented from time to time.
- “Associate”** : (a) In relation to any Director, Chief Executive Officer, Substantial Shareholder or Controlling Shareholder (being an individual) means:
- (i) his immediate family;
 - (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
 - (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more.
- (b) In relation to a Substantial Shareholder or a Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more.
- “Audit Committee”** : The audit committee of the Company, comprising Mr. Leslie Yeo Choon Hsien (Chairman of the Audit Committee), Mr. Lim How Teck and Mdm. Ho Geok Choo Madeleine.
- “Auditors”** : The auditors of the Company for the time being.
- “Award”** : A contingent award of Shares granted pursuant to the rules of the Plan.
- “Board”** : The board of Directors of the Company.
- “CDP”** : The Central Depository (Pte) Limited.
- “CPF”** : Central Provident Fund.

DEFINITIONS

“Committee”	: A committee comprising Directors and such other persons (if any) as may be duly authorised and appointed by the Board to administer the Plan.
“Company”	: Swissco Holdings Limited.
“Companies Act”	: The Companies Act (Chapter 50 of Singapore), as amended, supplemented or modified from time to time.
“control”	: The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of the Company.
“Controlling Shareholder”	: A person who (a) holds directly or indirectly 15% or more of the total number of issued shares excluding treasury shares in the Company (the SGX-ST may determine that a person who satisfies this paragraph is not a controlling shareholder); or (b) in fact exercises control over a company.
“Directors”	: The directors of the Company as at the date of this Appendix.
“Existing Share Plans”	: The Scheme and the Plan collectively.
“EPS”	: Earnings per Share.
“FY”	: Financial year ended or ending 31 December, as the case may be.
“Group”	: The Company and its subsidiaries.
“Group Employee”	: Any confirmed employee of the Group (including any Group Executive Director) selected by the Committee to participate in the Scheme and/or the Plan in accordance with the rules thereof.
“Group Executive Director”	: A director of the Company and/or any of its subsidiaries, as the case may be, who performs an executive function.
“Group Non-Executive Director”	: A director of the Company and/or any of its subsidiaries, as the case may be, who is not a Group Executive Director, including independent Directors.
“KPMG”	: KPMG LLP.
“Latest Practicable Date”	: 31 March 2015, being the latest practicable date prior to the printing of this Appendix.
“Listing Rules”	: The the rules of the listing manual of the SGX-ST, as amended, modified or supplemented from time to time.
“Market Day”	: A day on which the SGX-ST is open for trading in securities.
“Market Purchase”	: Has the meaning ascribed to it in Section 2.2(iii)(a) of this Appendix.
“Memorandum”	: The Memorandum of Association of the Company.
“New Shares”	: The new ordinary Shares which may be allotted and issued from time to time pursuant to the vesting of the Awards granted under the Plan.
“Notice”	: The Notice of Annual General Meeting dated 13 April 2015.

DEFINITIONS

“NTA”	: Net tangible assets.
“Off-Market Purchase”	: Has the meaning ascribed to it in Section 2.2(iii)(b) of this Appendix.
“Plan”	: The Swissco Holdings Performance Share Plan, as the same may be modified or altered from time to time.
“Proposed Change of Auditors”	: The proposed change of independent auditors of the Company from PwC to KPMG.
“PwC”	: PricewaterhouseCoopers LLP.
“Relevant Period”	: The period commencing from the date on which the AGM is held and expiring on the date the next annual general meeting of the Company is held or is required by law to be held, whichever is the earlier, after the date the resolution relating to the proposed Share Buyback Mandate is passed.
“Rules”	: The rules of the Plan, as the same may be amended from time to time.
“Scheme”	: The Swissco Holdings Employee Share Option Scheme, as the same may be modified or altered from time to time.
“Securities Account”	: Securities account maintained by a Depositor with CDP, but does not include a securities sub-account.
“SGX-ST”	: The Singapore Exchange Securities Trading Limited.
“Share Options”	: Has the meaning ascribed to it in Section 3.1 of this Appendix.
“Shares”	: Ordinary shares in the capital of the Company.
“Share Buyback Mandate”	: A general mandate given by Shareholders to authorise the Directors to purchase, on behalf of the Company, Shares in accordance with the terms set out in this Appendix as well as the rules and regulations set out in the Companies Act and the Listing Rules.
“Shareholders”	: Persons who are for the time being registered as holders of the Shares in the Register of Members maintained by the Company, except that where the registered holder is CDP, the term “Shareholders” shall, where the context admits, mean the Depositors whose Securities Accounts are credited with Shares.
“Substantial Shareholder”	: A shareholder who has an interest in not less than 5% of the issued shares of a company, as defined under Section 81 of the Companies Act.
“Take-over Code”	: The Singapore Code on Take-overs and Mergers, as amended or modified from time to time.
“%”	: Per centum or percentage.
“S\$” and “cents”	: Singapore dollars and cents, respectively.
“US\$” and “US cents”	: US dollars and cents, respectively, being the lawful currency of the United States of America.

DEFINITIONS

The terms “**Depositor**”, “**Depository Agent**” and “**Depository Register**” shall have the meanings ascribed to them respectively in Section 130A of the Companies Act. The term “**subsidiary**” shall have the meaning ascribed to it in Section 5 of the Companies Act.

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine gender and vice versa. References to persons shall include corporations.

Any reference to a time of day in this Appendix shall be a reference to Singapore time unless otherwise stated.

Any reference in this Appendix to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any term defined under the Companies Act or the Listing Rules or any modification thereof and used in this Appendix shall, where applicable, have the meaning ascribed to it under the Companies Act or the Listing Rules or such modification thereof, as the case may be, unless otherwise provided.

The exchange rate of US\$1 : S\$1.3214 has been used in this Appendix.

LETTER TO SHAREHOLDERS

SWISSCO HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 200404711D)

Board of Directors:

Mr. Lim How Teck (Lead Independent Director and Chairman)
Mr. Tan Fuh Gih (Senior Executive Director)
Mr. Alex Yeo Kian Teong (Executive Director and Chief Executive Officer)
Mr. Tang Kheng Guan Kelvin (Executive Director)
Mr. Leslie Yeo Choon Hsien (Independent Director)
Mdm. Ho Geok Choo Madeleine (Independent Director)

Registered Office:

60 Penjuru Lane
Singapore 609214

13 April 2015

To: The Shareholders of the Company

Dear Sir / Madam

- (1) **THE PROPOSED ADOPTION OF THE SHARE BUYBACK MANDATE;**
- (2) **THE PROPOSED ALTERATIONS TO THE PLAN;**
- (3) **THE PROPOSED PARTICIPATION OF MR. TAN FUH GIH, A CONTROLLING SHAREHOLDER AND EXECUTIVE DIRECTOR OF THE COMPANY, IN THE PLAN;**
- (4) **THE PROPOSED GRANT OF AWARDS UNDER THE PLAN TO MR. TAN FUH GIH, A CONTROLLING SHAREHOLDER AND EXECUTIVE DIRECTOR OF THE COMPANY; AND**
- (5) **THE PROPOSED CHANGE OF AUDITORS FROM PRICEWATERHOUSECOOPERS LLP TO KPMG LLP**

1. INTRODUCTION

Reference is made to the Notice of Annual General Meeting of the Company dated 13 April 2015 accompanying the Annual Report of the Company for the financial year ended 31 December 2014 to convene the AGM which is scheduled to be held on 29 April 2015 and the ordinary resolutions 10, 11, 12, 13 and 14 in relation to the proposed Share Buyback Mandate, the proposed alterations to the Plan, the proposed participation of Mr. Tan Fuh Gih, a Controlling Shareholder and an Executive Director, in the Plan (as proposed to be altered), the proposed grant of an Award under the Plan to Mr. Tan Fuh Gih and the Proposed Change of Auditors respectively, under the heading "Special Business" set out in the Notice.

The purpose of this Appendix is to provide Shareholders with information relating to, and to seek Shareholders' approval at the AGM for the aforementioned proposals.

The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in this Appendix. If any Shareholder is in any doubt as to the action he should take, he should consult his stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

LETTER TO SHAREHOLDERS

2. THE PROPOSED SHARE BUYBACK MANDATE

2.1 Rationale

The Directors and management constantly seek to increase Shareholders' value and to improve, *inter alia*, the return on equity of the Company. A share buyback at the appropriate price level is one of the ways through which the return on equity of the Company may be enhanced. Share purchases or acquisitions provide the Company with an easy mechanism to facilitate the return of surplus cash over and above the ordinary capital requirements, in an expedient and cost efficient manner. Share purchases or acquisitions also allow the Directors to exercise control over the Company's share structure and may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the EPS.

The adoption of the proposed Share Buyback Mandate will give the Directors the flexibility to purchase or acquire Shares when and if the circumstances permit. The proposed Share Buyback Mandate will also give the Company the opportunity to purchase or acquire Shares when such Shares are under-valued, to help mitigate short-term market volatility and to offset the effects of short term speculation.

2.2 Authority and Limitations

The authority and limitations under the proposed Share Buyback Mandate, if approved at the forthcoming AGM, are summarised below:

(i) Maximum number of Shares

Only Shares that are issued and fully paid may be purchased or acquired by the Company. The total number of Shares which may be purchased or acquired by the Company pursuant to the proposed Share Buyback Mandate is limited to that number of Shares representing not more than 10% of the issued ordinary share capital (excluding treasury shares) of the Company as at the date of the forthcoming AGM at which the Share Buyback Mandate is to be approved (the "**Approval Date**") (unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Companies Act), at any time during the Relevant Period in which event the issued ordinary share capital of the Company shall be taken to be the amount of the issued ordinary share capital of the Company as altered (excluding any treasury shares that may be held by the Company from time to time).

For illustrative purposes only, based on the issued share capital of the Company which comprises 671,430,704 Shares as at the Latest Practicable Date, and assuming that no further Shares are issued on or prior to the AGM, the Company may purchase not more than 67,143,070 Shares (representing 10% of the issued share capital of the Company as at that date) pursuant to the proposed Share Buyback Mandate.

(ii) Duration of Authority

Purchases or acquisitions of Shares may be made, at any time and from time to time, on and from the Approval Date, up to the earlier of:

- (a) the conclusion of the next annual general meeting of the Company or the date by which such annual general meeting of the Company is required by law to be held;
- (b) the date on which the share buybacks are carried out to the full extent mandated; or
- (c) the date on which the authority contained in the Share Buyback Mandate is varied or revoked by the Company in a general meeting.

LETTER TO SHAREHOLDERS

(iii) Manner of Purchases of Shares

Purchases of Shares may be made by way of:

- (a) on-market purchases (“**Market Purchase**”), transacted on the SGX-ST through the ready market or, as the case may be, any other stock exchange on which the Shares may for the time being be listed and quoted, through one or more duly licensed stockbrokers appointed by the Company for the purpose; and/or
- (b) off-market purchases (“**Off-Market Purchase**”) (if effected otherwise than on the SGX-ST) in accordance with any equal access scheme as may be determined or formulated by the Directors as they may consider fit, which scheme shall satisfy all the conditions prescribed by the Companies Act and the Listing Rules.

The Directors may impose such terms and conditions, which are consistent with the proposed Share Buyback Mandate, the Listing Rules and the Companies Act, as they consider fit in the interests of the Company in connection with or in relation to an equal access scheme or schemes.

Under the Companies Act, an equal access scheme must satisfy the following conditions:

- (a) offers for the purchase or acquisition of issued Shares shall be made to every person who holds issued Shares to purchase or acquire the same percentage of their issued Shares;
- (b) all of those persons shall be given a reasonable opportunity to accept the offers made; and
- (c) the terms of all the offers are the same, except that there shall be disregarded:
 - (1) differences in consideration attributable to the fact that offers may relate to Shares with different accrued dividend entitlements;
 - (2) (if applicable) differences in consideration attributable to the fact that offers relate to Shares with different amounts remaining unpaid; and
 - (3) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

In addition, pursuant to the Listing Rules, in making an Off-Market Purchase, the Company must issue an offer document to all Shareholders which must contain at least the following information:

- (a) the terms and conditions of the offer;
- (b) the period and procedures for acceptances;
- (c) the reasons for the proposed share buyback;
- (d) the consequences, if any, of share buybacks by the Company that will arise under the Take-over Code or other applicable take-over rules;
- (e) whether the share buybacks, if made, would have any effect on the listing of the Shares on the SGX-ST;

LETTER TO SHAREHOLDERS

- (f) details of any share buybacks made by the Company in the previous 12 months (whether Market Purchases or Off-Market Purchases), giving the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for the purchases, where relevant, and the total consideration paid for the purchases; and
 - (g) whether the Shares purchased by the issuer will be cancelled or kept as treasury shares.
- (iv) Maximum Purchase Price

The purchase price (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) to be paid for a Share will be determined by the Directors.

However, the purchase price to be paid for the Shares pursuant to the purchases or acquisitions of the Shares must not exceed:

- (a) in the case of a Market Purchase, 105% of the Average Closing Price (as defined herein); and
- (b) in the case of an Off-Market Purchase pursuant to an equal access scheme, 120% of the Highest Last Dealt Price (as defined herein),

(the “**Maximum Price**”) in either case, excluding related expenses of the purchases.

For the above purposes:

“**Average Closing Price**” means the average of the closing market prices of a Share over the last five (5) Market Days on SGX-ST, on which transactions in the Shares were recorded, immediately preceding the date of the Market Purchase and deemed to be adjusted for any corporate action that occurs after such five-day period;

“**Highest Last Dealt Price**” means the highest price transacted for a Share as recorded on SGX-ST on the Market Day on which there were trades in the Shares immediately preceding the day of the making of the offer pursuant to the Off-Market Purchase; and

“**day of the making of the offer**” means the day on which the Company announces its intention to make an offer for the purchase of Shares from Shareholders, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

2.3 Status of Purchased Shares

Any Share which is purchased or acquired by the Company is deemed cancelled immediately on purchase (and all rights and privileges attached to that Share will expire on cancellation) unless such Share is held by the Company as a treasury share. Accordingly, the total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company and which are not held as treasury shares.

All Shares purchased or acquired by the Company (other than treasury shares held by the Company to the extent permitted under the Companies Act) will be automatically delisted by the SGX-ST, and (where applicable) all certificates in respect thereof will be cancelled and destroyed by the Company as soon as reasonably practicable following settlement of any such purchase or acquisition.

LETTER TO SHAREHOLDERS

The Company may decide to cancel Shares which have been purchased by the Company or hold such Shares as treasury shares, depending on whether it is in the interests of the Company to do so.

2.4 Treasury Shares

Under the Companies Act, Shares purchased or acquired by the Company may be held or dealt with as treasury shares. Some of the key provisions on treasury shares under the Companies Act are as follows:

(i) Maximum Holdings

The number of Shares held as treasury shares cannot at any time exceed 10% of the total number of issued Shares.

(ii) Voting and Other Rights

The Company cannot exercise any right in respect of treasury shares. In particular, the Company cannot exercise any right to attend or vote at meetings and for the purposes of the Companies Act, the Company shall be treated as having no right to vote and the treasury shares shall be treated as having no voting rights.

In addition, no dividend may be paid, and no other distribution of the Company's assets may be made, to the Company in respect of the treasury shares. However, the allotment of treasury shares as fully paid bonus shares in respect of treasury shares is allowed. Also, a subdivision or consolidation of any treasury share into treasury shares of a smaller amount is allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as before.

(iii) Disposal and Cancellation

The Company may dispose of treasury shares at any time in the following ways:

- (a) sell the treasury shares (or any of them) for cash;
- (b) transfer the treasury shares (or any of them) for the purposes of or pursuant to an employees' share scheme;
- (c) transfer the treasury shares (or any of them) as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (d) cancel the treasury shares (or any of them); or
- (e) sell, transfer or otherwise use the treasury shares for such other purposes as may be prescribed by the Minister for Finance.

In accordance with Rule 704(28) of the Listing Rules, the Company shall make periodic announcements containing the following information in the event of any sale, transfer, cancellation and/or use of treasury shares:

- (a) the date of the sale, transfer, cancellation and/or use;
- (b) the purpose of such sale, transfer, cancellation and/or use;
- (c) the number of treasury shares sold, transferred, cancelled and/or used;
- (d) the number of treasury shares before and after such sale, transfer, cancellation and/or use;

LETTER TO SHAREHOLDERS

- (e) the percentage of the number of treasury shares against the total number of shares outstanding in a class that is listed before and after such sale, transfer, cancellation and/or use; and
- (f) the value of the treasury shares if they are used for a sale or transfer, or cancelled.

2.5 Sources of Funds

The Company may only apply funds legally available for the purchase or acquisition of its Shares as provided in its Articles of Association and in accordance with the applicable laws in Singapore. The Company may not purchase or acquire its Shares for a consideration other than in cash or, in the case of a Market Purchase, for settlement otherwise than in accordance with the trading rules of the SGX-ST.

Under the Companies Act, the Company is permitted to purchase or acquire its Shares out of capital, as well as from its distributable profits, so long as the Company is solvent (as defined in Section 76F(4) of the Companies Act). It is an offence for a Director or manager of the Company to approve or authorise the purchase or acquisition of Shares, knowing that the Company is not solvent. For this purpose, pursuant to the Companies Act, a company is solvent if:

- (a) the Company is able to pay its debts in full as they fall due in the normal course of business at the time of payment for the purchase of its Shares, as well as during the period of 12 months after the purchase; and
- (b) the value of the Company's assets, at the time of the purchase and after such purchase, is not less than the value of its liabilities (including contingent liabilities) having regard to the most recent financial statements of the Company and all other circumstances that the Directors or managers of the Company know or ought to know affect or may affect such values.

The Company intends to use internal sources of funds or external borrowings or a combination of both to finance the Company's purchase or acquisition of the Shares pursuant to the proposed Share Buyback Mandate. In purchasing or acquiring Shares pursuant to the proposed Share Buyback Mandate, the Directors will principally consider the availability of internal resources. In addition, the Directors will also consider the availability of external financing. However, in considering the option of external financing, the Directors will consider particularly the prevailing gearing level of the Group. The Directors will only make purchases or acquisitions pursuant to the proposed Share Buyback Mandate in circumstances which they believe will not result in any material adverse effect to the financial condition of the Company or the Group.

2.6 Financial Effects

It is not possible for the Company to realistically calculate or quantify the impact of purchases or acquisitions of Shares that may be made pursuant to the proposed Share Buyback Mandate on the NTA and EPS of the Group and the Company as the resultant effect would depend on, *inter alia*, the aggregate number of Shares purchased or acquired, whether the purchase or acquisition is made out of capital or profits, the purchase prices paid for such Shares, the amount (if any) borrowed by the Company to fund the purchases or acquisitions and whether the Shares purchased or acquired are cancelled or held as treasury shares.

The Company's total issued share capital will be diminished by the total number of the Shares purchased by the Company and which are cancelled. The NTA of the Group will be reduced by the aggregate purchase price paid by the Company for the Shares.

LETTER TO SHAREHOLDERS

Under the Companies Act, purchases or acquisitions of Shares by the Company may be made out of the Company's capital or profits so long as the Company is solvent. Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of profits, such consideration (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) will correspondingly reduce the amount of profits available for the distribution of cash dividends by the Company. Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of capital, the amount available for the distribution of cash dividends by the Company will not be reduced.

The Directors do not propose to exercise the proposed Share Buyback Mandate to such an extent that it would have a material adverse effect on the working capital requirements of the Group. The purchase or acquisition of Shares will only be effected after considering relevant factors such as the working capital requirements, the availability of financial resources, the expansion and investment plans of the Group and the prevailing market conditions.

For illustrative purposes only, the financial effects of the proposed Share Buyback Mandate on the Group and the Company, based on the audited financial accounts of the Group and the Company for FY2014 are based on the assumptions set out below:

- (i) based on the issued share capital of the Company which comprises 671,430,704 Shares as at the Latest Practicable Date, and assuming no further Shares are issued on or prior to the AGM, the Company may purchase not more than 67,143,070 Shares (representing 10% of the issued share capital of the Company as at that date) pursuant to the proposed Share Buyback Mandate;
- (ii) in the case of Market Purchases by the Company and assuming that the Company purchases or acquires 67,143,070 Shares at the Maximum Price of US\$0.321 (approximately S\$0.424) for one (1) Share (being the price equivalent to 105% of the Average Closing Price of the Shares for the five (5) consecutive Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 67,143,070 Shares (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) is approximately US\$21,552,926; and
- (iii) in the case of Off-Market Purchases by the Company and assuming that the Company purchases or acquires 67,143,070 Shares at the Maximum Price of US\$0.372 (approximately S\$0.492) for one (1) Share (being the price equivalent to 120% of the highest price transacted for a Share as recorded on the Market Day on which there were trades in the Shares on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 67,143,070 Shares (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) is approximately US\$24,977,222.

For illustrative purposes only, and based on the assumptions set out in sub-paragraphs (i), (ii) and (iii) above and assuming that (a) the purchase or acquisition of Shares is financed by internal sources of funds and/or external borrowings, (b) the proposed Share Buyback Mandate had been effective on 1 January 2014 and (c) the Company had purchased or acquired 67,143,070 Shares (representing 10% of its issued ordinary share capital as at the Latest Practicable Date), the financial effects of the purchase or acquisition of 67,143,070 Shares by the Company pursuant to the proposed Share Buyback Mandate:

- (1) by way of Market Purchases made entirely out of capital and held as treasury shares;
- (2) by way of Off-Market Purchases made entirely out of capital and held as treasury shares;
- (3) by way of Market Purchases made entirely out of capital and cancelled; and

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(4) by way of Off-Market Purchases made entirely out of capital and cancelled,

on the audited financial statements of the Group and the Company for FY2014 pursuant to the proposed Share Buyback Mandate are as follows:

(1) Market Purchases made entirely out of capital and held as treasury shares

	Group		Company	
	Before Share Purchase US\$'000	After Share Purchase US\$'000	Before Share Purchase US\$'000	After Share Purchase US\$'000
As at 31 December 2014				
Share capital	188,152	188,152	370,856	370,856
Treasury shares	–	(21,553)	–	(21,553)
Other reserves	658	658	206	206
Retained earnings	28,747	28,747	12,274	12,274
	217,557	196,004	383,336	361,783
Redeemable exchangeable preference shares	36,750	36,750	–	–
Total equity	254,307	232,754	383,336	361,783
NTA ⁽¹⁾	253,475	231,922	383,336	361,783
Current assets	74,611	74,611	78,914	78,914
Current liabilities ⁽²⁾	112,159	133,712	54,958	76,511
Cash and cash equivalents	38,633	38,633	3,800	3,800
Bank borrowings ⁽²⁾	248,197	269,750	82,871	104,424
Profit, net of tax	15,891	15,891	7,620	7,620
Number of issued shares ('000) (net of treasury shares)	671,431	604,288	671,431	604,288
Weighted average number of shares ('000)	545,386	478,243	545,386	478,243
Financial ratios				
Current ratio (times) ⁽³⁾	0.67	0.56	1.44	1.03
NTA/Shares (US cents)	37.75	38.38	57.09	59.87
Basic earnings per Share (US cents)	2.91	3.32	1.40	1.59
Gearing (%) ⁽⁴⁾	0.82	0.99	0.21	0.28

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Assumptions:

Based on the total number of Shares as at Latest Practicable Date	671,430,704
Less: existing treasury shares	–
Issued share capital of the Company (excluding treasury shares) (US\$)	370,856,000
Total number of Shares Company can purchase up to 10%	67,143,070
Total number of Shares Company can purchase and hold as treasury shares	67,143,070
Average Closing Price (US\$)	0.305
Purchase per Share (being 105% of the Average Closing Price of the Shares traded on the SGX-ST over the last five (5) consecutive Market days) (US\$)	0.321
Aggregate purchase price (US\$)	21,552,926

Notes:

- (1) NTA equals total equity less intangibles.
- (2) Assuming the source of funds comes from bank borrowings.
- (3) Current ratio equals current assets divided by current liabilities.
- (4) Gearing equals total bank borrowings less cash and cash equivalents divided by total equity (including redeemable exchangeable preference shares).

(2) Off-Market Purchases made entirely out of capital and held as treasury shares

	Group		Company	
	Before Share Purchase US\$'000	After Share Purchase US\$'000	Before Share Purchase US\$'000	After Share Purchase US\$'000
As at 31 December 2014				
Share capital	188,152	188,152	370,856	370,856
Treasury shares	–	(24,977)	–	(24,977)
Other reserves	658	658	206	206
Retained earnings	28,747	28,747	12,274	12,274
	217,557	192,580	383,336	358,359
Redeemable exchangeable preference shares	36,750	36,750	–	–
Total equity	254,307	229,330	383,336	358,359
NTA ⁽¹⁾	253,475	228,498	383,336	358,359
Current assets	74,611	74,611	78,914	78,914
Current liabilities ⁽²⁾	112,159	137,136	54,958	79,935
Cash and cash equivalents	38,633	38,633	3,800	3,800
Bank borrowings ⁽²⁾	248,197	273,174	82,871	107,848
Profit, net of tax	15,891	15,891	7,620	7,620
Number of issued Shares ('000) (net of treasury shares)	671,431	604,288	671,431	604,288
Weighted average number of Shares ('000)	545,386	478,243	545,386	478,243

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	Group		Company	
	Before Share Purchase US\$'000	After Share Purchase US\$'000	Before Share Purchase US\$'000	After Share Purchase US\$'000

Financial ratios

Current ratio (times) ⁽³⁾	0.67	0.54	1.44	0.99
NTA/Shares (US cents)	37.75	37.81	57.09	59.30
Basic earnings per Share (US cents)	2.91	3.32	1.40	1.59
Gearing (%) ⁽⁴⁾	0.82	1.02	0.21	0.29

Assumptions:

Based on the total number of Shares as at Latest Practicable Date	671,430,704
Less: existing treasury shares	–
Issued share capital of the Company (excluding treasury shares) (US\$)	370,856,000
Total number of Shares Company can purchase up to 10%	67,143,070
Total number of Shares Company can purchase and hold as treasury shares	67,143,070
Highest Last Dealt Price (US\$)	0.310
Purchase per Share (being 120% of the Highest Last Dealt Price of the Shares traded on the SGX-ST) (US\$)	0.372
Aggregate purchase price (US\$)	24,977,222

Notes:

- (1) NTA equals total equity less intangibles.
- (2) Assuming the source of funds comes from bank borrowings.
- (3) Current ratio equals current assets divided by current liabilities.
- (4) Gearing equals total bank borrowings less cash and cash equivalents divided by total equity (including redeemable exchangeable preference shares).

(3) Market Purchases made entirely out of capital and cancelled

	Group		Company	
	Before Share Purchase US\$'000	After Share Purchase US\$'000	Before Share Purchase US\$'000	After Share Purchase US\$'000

As at 31 December 2014

Share capital	188,152	166,599	370,856	349,303
Other reserves	658	658	206	206
Retained earnings	28,747	28,747	12,274	12,274
	217,557	196,004	383,336	361,783
Redeemable exchangeable preference shares	36,750	36,750	–	–
Total equity	254,307	232,754	383,336	361,783
NTA ⁽¹⁾	253,475	231,922	383,336	361,783
Current assets	74,611	74,611	78,914	78,914

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	Group		Company	
	Before Share Purchase US\$'000	After Share Purchase US\$'000	Before Share Purchase US\$'000	After Share Purchase US\$'000
Current liabilities ⁽²⁾	112,159	133,712	54,958	76,511
Cash and cash equivalents	38,633	38,633	3,800	3,800
Bank borrowings ⁽²⁾	248,197	269,750	82,871	104,424
Profit, net of tax	15,891	15,891	7,620	7,620
Number of issued Shares ('000) (net of treasury shares)	671,431	604,288	671,431	604,288
Weighted average number of Shares (‘000)	545,386	478,243	545,386	478,243
Financial ratios				
Current ratio (times) ⁽³⁾	0.67	0.56	1.44	1.03
NTA/Shares (US cents)	37.75	38.38	57.09	59.87
Basic earnings per Share (US cents)	2.91	3.32	1.40	1.59
Gearing (%) ⁽⁴⁾	0.82	0.99	0.21	0.28

Assumptions:

Based on the total number of Shares as at Latest Practicable Date	671,430,704
Number of shares purchase at 10%	67,143,070
Average Closing Price (US\$)	0.305
Purchase per Share (being 105% of the Average Closing Price of the Shares traded on the SGX-ST over the last five (5) consecutive Market days) (US\$)	0.321
Aggregate purchase price (US\$)	21,552,926

Notes:

- (1) NTA equals total equity less intangibles.
- (2) Assuming the source of funds comes from bank borrowings.
- (3) Current ratio equals current assets divided by current liabilities.
- (4) Gearing equals total bank borrowings less cash and cash equivalent divided by total equity (including redeemable exchangeable preference shares).

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(4) Off-Market Purchases made entirely out of capital and cancelled

	Group		Company	
	Before Share Purchase US\$'000	After Share Purchase US\$'000	Before Share Purchase US\$'000	After Share Purchase US\$'000
As at 31 December 2014				
Share capital	188,152	163,175	370,856	345,879
Other reserves	658	658	206	206
Retained earnings	28,747	28,747	12,274	12,274
	217,557	192,580	383,336	358,359
Redeemable exchangeable preference shares	36,750	36,750	–	–
Total equity	254,307	229,330	383,336	358,359
NTA ⁽¹⁾	253,475	228,498	383,336	358,359
Current assets	74,611	74,611	78,914	78,914
Current liabilities ⁽²⁾	112,159	137,136	54,958	79,935
Cash and cash equivalents	38,633	38,633	3,800	3,800
Bank borrowings ⁽²⁾	248,197	273,174	82,871	107,848
Profit, net of tax	15,891	15,891	7,620	7,620
Number of issued Shares ('000) (net of treasury shares)	671,431	604,288	671,431	604,288
Weighted average number of Shares ('000)	545,386	478,243	545,386	478,243
Financial ratios				
Current ratio (times) ⁽³⁾	0.67	0.54	1.44	0.99
NTA/Shares (US cents)	37.75	37.81	57.09	59.30
Basic earnings per Share (US cents)	2.91	3.32	1.40	1.59
Gearing (%) ⁽⁴⁾	0.82	1.02	0.21	0.29

Assumptions:

Based on the total number of Shares as at Latest Practicable Date	671,430,704
Number of shares purchase at 10%	67,143,070
Highest Last Dealt Price (US\$)	0.310
Purchase per Share (being 120% of the Highest Last Dealt Price of the Shares traded on the SGX-ST (US\$))	0.372
Aggregate purchase price (US\$)	24,977,222

Notes:

- (1) NTA equals total equity less intangibles.
- (2) Assuming the source of funds comes from bank borrowings.
- (3) Current ratio equals current assets divided by current liabilities.
- (4) Gearing equals total bank borrowings less cash and cash equivalent divided by total equity (including redeemable exchangeable preference shares).

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Shareholders should note that the financial effects set out above are purely for illustrative purposes and based only on the abovementioned assumptions. In particular, it is important to note that the above financial analysis is based on the Group's and the Company's historical numbers for FY2014, and is not necessarily representative of the future financial performance of the Group and the Company. The Company will take into account both financial and non-financial factors (for example, equity market conditions and the performance of the Shares) in assessing the relative impact of a share purchase or acquisition before execution. Although the proposed Share Buyback Mandate would authorise the Company to purchase or acquire up to 10% of the total number of its issued Shares (excluding treasury shares), the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire 10% of the total number of its issued Shares (excluding treasury shares). In addition, the Company may cancel all or part of the Shares repurchased or hold all or part of the Shares repurchased in treasury.

2.7 Tax Implications

Shareholders who are in doubt as to their respective tax positions or the tax implications of a share buyback by the Company or who may be subject to tax, whether in or outside Singapore, should consult their own professional advisers.

2.8 Reporting requirements under the Companies Act

Within 30 days of the passing of a Shareholders' resolution to approve the purchases of Shares by the Company, the Company shall lodge a copy of such resolution with the ACRA.

The Company shall notify the ACRA within 30 days of a purchase of Shares on the SGX-ST or otherwise. Such notification shall include details of the purchases, including the date of the purchase, the number of Shares purchased by the Company, the number of Shares cancelled, the number of Shares held as treasury shares, the Company's issued share capital before and after the purchase of Shares, the amount of consideration paid by the Company for the purchases, and whether the Shares are purchased out of the profits or the capital of the Company.

2.9 Listing Rules

The Listing Rules specify that a listed company shall report all purchases or acquisitions of its shares to the SGX-ST not later than 9.00 a.m. (a) in the case of a Market Purchase, on the Market Day following the day of purchase of any of its shares and (b) in the case of an Off-Market Purchase under an equal access scheme, on the second Market Day after the close of acceptances of the offer. Such announcement shall include details of the total number of shares authorised for purchase, the date of purchase, the total number of shares purchased, prices paid for the total number of shares purchased, the purchase price per share, the highest and lowest prices per share for the shares purchased to date and the number of issued shares after purchase, in the form prescribed under the Listing Rules.

While the Listing Rules do not expressly prohibit any purchase of shares by a listed company during any particular time(s), because the listed company would be regarded as an "insider" in relation to any proposed purchase or acquisition of its issued shares, the Company will not undertake any purchase of Shares pursuant to the Share Buyback Mandate at any time after any matter or development of a price sensitive nature has occurred or has been the subject of consideration and/or a decision of the Board until such price-sensitive information has been publicly announced. In particular, in line with the best practices guide on securities dealings issued by the SGX-ST, the Company will not purchase or acquire any Shares through Market Purchases during the period commencing two (2) weeks immediately preceding the announcement of the Company's financial statements for each of the first three-quarters of its financial year and one (1) month immediately preceding the announcement of the Company's financial statements for its annual (full-year) results respectively.

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2.10 Listing Status

The Company is required under Rule 723 of the Listing Rules to ensure that at least 10% of its Shares are in the hands of the public. The “**public**”, as defined in the Listing Rules, are persons other than the Directors, Chief Executive Officer, Substantial Shareholders or Controlling Shareholders of the Company and its subsidiaries, as well as the Associates of such persons.

As at the Latest Practicable Date, there are 155,349,138 Shares in the hands of the public (as defined above), representing approximately 23.1% of the issued share capital of the Company. In the event that the Company purchases the maximum of 10% of its issued ordinary share capital from such public Shareholders, the resultant percentage of the issued Shares held by the public Shareholders would be reduced to approximately 14.6%. Accordingly, the Company is of the view that there is a sufficient number of Shares in issue held by public Shareholders which would permit the Company to undertake purchases or acquisitions of its Shares through Market Purchases up to the full 10% limit pursuant to the Share Buyback Mandate without adversely affecting the listing status of the Shares on the SGX-ST, and that the number of Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity or to adversely affect orderly trading.

In undertaking any purchase of its Shares through Market Purchases, the Directors will use their best efforts to ensure that a sufficient number of Shares remain in public hands so that the purchases or acquisitions of the Shares will not adversely affect the listing status of the Shares on the SGX-ST, cause market illiquidity or adversely affect the orderly trading of the Shares.

2.11 Implications under the Take-over Code

Under the Take-over Code, a person will be required to make a general offer for a public company if:

- (a) he acquires 30% or more of the voting rights of the company; or
- (b) he holds between 30% and 50% of the voting rights of the company and he increases his voting rights in the company by more than 1% in any six-month period.

If, as a result of any purchase or acquisition by the Company of its Shares, a Shareholder's proportionate interest in the voting capital of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code. If such increase results in a change of effective control, or, as a result of such increase, a Shareholder or group of Shareholders acting in concert obtains or consolidates effective control of the Company, such Shareholder or group of Shareholders acting in concert could become obliged to make a take-over offer for the Company under Rule 14 of the Take-over Code.

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal) co-operate, through the acquisition by any of them of shares in a company to obtain or consolidate effective control of that company.

Unless the contrary is established, the following persons, *inter alia*, will be presumed to be acting in concert:

- (i) a company with its parent company, subsidiaries, its fellow subsidiaries, any associated companies of the aforesaid companies, any company whose associated companies include any of the aforesaid companies, and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the aforesaid persons for the purchase of voting rights. For this purpose, a company is an associated company of another company if the second company owns or controls at least 20% but not more than 50% of the voting rights of the first-mentioned company;
- (ii) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts);

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- (iii) a company with any of its pension funds and employee share schemes;
- (iv) a person with any investment company, unit trust or other fund in respect of the investment account which such person manages on a discretionary basis, but only in respect of the investment account which such person manages;
- (v) a financial or other professional adviser (including a stockbroker), with its clients in respect of the shareholdings of the adviser and the persons controlling, controlled by or under the same control as the adviser and all the funds which the adviser manages on a discretionary basis, where the shareholding of the adviser and any of those funds in the client total 10% or more of the client's equity share capital;
- (vi) directors of a company (together with their close relatives, related trusts and companies controlled by any of them) which is subject to an offer or where they have reason to believe a bona fide offer for their company may be imminent;
- (vii) partners; and
- (viii) an individual, with his close relatives, his related trusts, any person who is accustomed to act in accordance with his instructions, companies controlled by any of the aforesaid persons and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the aforesaid persons for the purchase of voting rights.

The circumstances under which Shareholders (including Directors) and persons acting in concert with them respectively will incur an obligation to make a take-over offer under Rule 14 of the Take-Over Code after a purchase or acquisition of Shares by the Company are set out in Appendix 2 of the Take-Over Code.

Under Appendix 2 of the Take-Over Code, unless exempted, Directors and persons acting in concert with them will incur an obligation to make a take-over offer for the Company under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights in the Company of such Directors and their concert parties, being in aggregate less than 30% before such purchase or acquisition, would increase to 30% or more, or if the voting rights of such Directors and their concert parties fall between 30% and 50% of the Company's voting rights, the voting rights of such Directors and their concert parties would increase by more than 1% in any period of six (6) months.

A Shareholder not acting in concert with the Directors will not incur an obligation to make a take-over offer for the Company under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder in the Company would increase to 30% or more, or if the voting rights of such Shareholder fall between 30% and 50% of the Company's voting rights, the voting rights of such Shareholder increase by more than 1% in any period of six (6) months. Such Shareholder need not abstain from voting in respect of the resolution authorising the proposed Share Buyback Mandate.

Based on the information in the Company's register of Directors' interests in Shares and register of Substantial Shareholders' interest in Shares as at the Latest Practicable Date, none of the Directors or Substantial Shareholders are obliged to make a take-over offer for the Shares under Rule 14 and Appendix 2 to the Take-over Code as a result of a purchase or acquisition of Shares by the Company pursuant to the proposed Share Buyback Mandate.

Shareholders who are in any doubt as to whether they would incur any obligations to make a take-over offer as a result of any purchase of Shares by the Company pursuant to the proposed Share Buyback Mandate are advised to consult their professional advisers and/or the Securities Industry Council of Singapore at the earliest opportunity before they acquire any Shares in the Company during the period when the proposed Share Buyback Mandate is in force.

Further details of the interests of the Directors and Substantial Shareholders of the Company in the Shares of the Company as at the Latest Practicable Date are set out in Section 6 of this Appendix.

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2.12 No Share Buybacks in the previous 12 months

The Company has not purchased or acquired any Shares in the 12 months immediately preceding the date of this Appendix.

3. THE PROPOSED ALTERATIONS TO THE SWISSCO HOLDINGS PERFORMANCE SHARE PLAN

3.1 Existing Share Plans

Currently, the Company has in place the Swissco Holdings Performance Share Plan and the Swissco Holdings Employee Share Option Scheme which were adopted at an extraordinary general meeting of the Company held on 1 November 2010. The duration of the Existing Share Plans is 10 years commencing on the date of adoption, that is, 10 years commencing on 1 November 2010. The Existing Share Plans were adopted pursuant to the Company's acquisition of Swissco International Limited by way of a scheme of arrangement under Section 210 of the Companies Act. Save for the Existing Share Plans, the Company does not have any other employee share schemes or employee share options schemes in place.

As at the Latest Practicable Date:

- (a) there are no outstanding Awards granted under the Plan, and an aggregate of 2,150,396 Shares (representing approximately 0.32% of the issued Shares as at the Latest Practicable Date) have been delivered upon vesting of Awards granted under the Plan since the commencement of the Plan; and
- (b) there are outstanding and unexercised options granted under the Scheme ("**Share Options**") to subscribe for up to an aggregate of 1,537,000 Shares (representing approximately 0.23% of the issued Shares as at the Latest Practicable Date), and an aggregate of 2,013,000 Shares (representing approximately 0.30% of the issued Shares as at the Latest Practicable Date) have been delivered upon exercise of Share Options granted since the commencement of the Scheme.

Details of outstanding Share Options as at the Latest Practicable Date are as follows:

Date of Grant	Exercise Period	Exercise Price (\$) ⁽¹⁾	Number of Shares comprised in unexercised Share Options ⁽²⁾	Number of Participants
11 May 2012	11 May 2013 – 10 May 2017	0.404	50,000	2
11 May 2012	11 May 2013 – 10 May 2022	0.404	50,000	8
13 May 2013	13 May 2014 – 12 May 2018	0.538	50,000	2
13 May 2013	13 May 2014 – 12 May 2023	0.538	437,000	9
12 May 2014	12 May 2015 – 11 May 2019	0.834	100,000	2
12 May 2014	12 May 2015 – 11 May 2024	0.834	850,000	10

Notes:

- (1) The Company completed its share consolidation of every two (2) existing issued ordinary shares into one (1) consolidated share on 30 July 2014 (the "**share consolidation**"). The Exercise Price has been adjusted pursuant to the share consolidation.
- (2) The figures are based on the adjusted number of Shares comprised in the unexercised Share Options pursuant to the share consolidation.

Save as disclosed in this Appendix, the Share Options outstanding as at the Latest Practicable Date are not subject to any material conditions.

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Awards and Share Options granted to Directors, Controlling Shareholders and their Associates

As at the Latest Practicable Date, there are no outstanding Awards granted to Directors, Controlling Shareholders and their Associates under the Plan.

Details of existing Share Options granted to Directors, Controlling Shareholders and their Associates under the Scheme which are outstanding and unexercised as at the Latest Practicable Date are as follows:

Name of Director / Controlling Shareholder / Associate	Date of Grant	Exercise Period	Exercise Price (S\$) ⁽¹⁾	Number of Shares comprised in unexercised Share Options ⁽²⁾
Lim How Teck	12 May 2014	12 May 2015 – 11 May 2019	0.834	50,000
Tan Fuh Gih	11 May 2012	11 May 2013 – 10 May 2017	0.404	50,000
Tan Fuh Gih	13 May 2013	13 May 2014 – 12 May 2018	0.538	50,000
Alex Yeo Kian Teong	13 May 2013	13 May 2014 – 12 May 2023	0.538	250,000
Alex Yeo Kian Teong	12 May 2014	12 May 2015 – 11 May 2024	0.834	250,000
Leslie Yeo Choon Hsien	12 May 2014	12 May 2015 - 11 May 2019	0.834	50,000

Notes:

- (1) The Exercise Price has been adjusted pursuant to the share consolidation.
- (2) The figures are based on the adjusted number of Shares comprised in the unexercised Share Options pursuant to the share consolidation.

As at the Latest Practicable Date, an aggregate of 300,000 Shares have been delivered to Mr. Lim How Teck, Mr. Tan Fuh Gih, Mr. Alex Yeo Kian Teong and Mr. Leslie Yeo Choon Hsien upon exercise of Share Options since the commencement of the Scheme.

3.2 Proposed Alterations

The following persons are currently eligible to participate in the Plan, at the absolute discretion of the Committee:

- (a) Group Executive Directors; and
- (b) all confirmed full time managers (or employees holding an equivalent or more senior position or appointment) of the Group who have been in the employment of the Group for at least 12 months, or such shorter period as the Committee may determine,

provided that, as of the date of the Award, such persons have attained the age of 21 years, are not undischarged bankrupts and have not entered into any compositions with their respective creditors.

The Company has undertaken a comprehensive review of employee remuneration and benefits and wishes to alter the Plan to enable Group Non-Executive Directors to participate in the Plan.

3.3 Rationale and Justification for Participation

While the Plan caters principally to Group employees, it is recognised that there are other persons, such as the Group Non-Executive Directors, who make significant contributions to the Group through their close working relationships with the Group, even though they are not employed within the Group.

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Group Non-Executive Directors (including independent Directors) are persons from different professions and working backgrounds, bringing to the Company their wealth of knowledge, business expertise and contacts in the business community. They play an important role in helping the Company shape its business strategy by allowing the Company to draw on the backgrounds and diverse working experience of these individuals. It is crucial for the Company to attract, retain and incentivise the Group Non-Executive Directors and align their interests with that of the Group.

The current Group Non-Executive Directors are Mr. Lim How Teck, Mr. Leslie Yeo Choon Hsien Leslie and Mdm. Ho Geok Choo Madeleine.

Our Directors are of the view that including the Group Non-Executive Directors in the Plan will show the Company's appreciation for, and further motivate them in, their contribution towards the success of the Group. Allowing the Group Non-Executive Directors to participate in the Plan would enable the Company to bring the Plan in line with the Scheme, which currently permits Group Non-Executive Directors to participate in the Scheme. However, as the services and contributions of Group Non-Executive Directors cannot be measured in the same way as the full-time employees of the Group, while it is desired that participation in the Plan be made open to the Group Non-Executive Directors of the Company, any Awards that may be granted to any such Group Non-Executive Director would be intended only as a token of the Company's appreciation.

For the purpose of assessing the contributions of the Group Non-Executive Directors, the Committee will propose a performance framework comprising mainly non-financial performance measurement criteria such as the extent of involvement and responsibilities shouldered by the Group Non-Executive Directors within the Board, including his board and board committee appointments and attendance. In addition, the Committee will also consider the scope of advice given, the number of contacts and size of deals which the Company is able to procure from the contacts and recommendations of the Group Non-Executive Directors.

The Committee may also decide that no Awards shall be made in any financial year or no grant and/or Award may be made at all.

It is envisaged that the vesting of Awards, and hence the number of Shares to be delivered to the Group Non-Executive Directors based on the criteria set out above will be relatively small in terms of frequency and numbers. Based on this, the Directors are of the view that the participation by the Group Non-Executive Directors in the Plan will not compromise their independent status.

3.4 Regulatory Approvals

The SGX-ST has on 6 October 2010 given its in-principle approval to the listing of and quotation for the New Shares to be issued pursuant to the Plan. The approval of the SGX-ST is not to be taken as an indication of the merits of the Plan, the New Shares, the Company and/or its subsidiaries.

3.5 Annex A

The proposed alterations to the Plan are set out in Annex A to this Appendix. The proposed alterations to the Plan are subject to Shareholders' approval. The ordinary resolution relating to the proposed alterations to the Plan to be proposed at the AGM also includes an authorisation to the Directors to offer and grant Awards pursuant to the Plan (as proposed to be altered) and to issue New Shares pursuant to the vesting of Awards granted pursuant to the Plan (as proposed to be altered), provided always that the aggregate number of Shares which may be issued or transferred pursuant to Awards granted under the Plan, when added to (i) the number of Shares issued and issuable and/or transferred and transferable in respect of all Awards granted thereunder; and (ii) all Shares issued and issuable and/or transferred and transferable in respect of all options granted or awards granted under any other share incentive schemes or share plans adopted by the Company and for the time being in force shall not exceed 15% of the total issued share capital (excluding treasury shares) of the Company on the day preceding the relevant date of Award, and provided also that subject to such adjustments as may be made to the Plan (as proposed to be altered) as a result of any variation in the capital structure of the Company.

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4. THE PROPOSED PARTICIPATION OF MR. TAN FUH GIH, A CONTROLLING SHAREHOLDER AND EXECUTIVE DIRECTOR OF THE COMPANY, IN THE PLAN (AS PROPOSED TO BE ALTERED), AND THE PROPOSED GRANT OF AWARDS UNDER THE PLAN TO MR. TAN FUH GIH

4.1 Rationale and Justification for Participation

As disclosed in the 2010 Circular, the key objectives of the Plan (as proposed to be altered) are to motivate key executives to optimise their performance standards and efficiency and to reward them for their significant contributions with participation in the equity of the Company. As such, key executives, including the Controlling Shareholders and their Associates, should be treated equally as they are important to the development and success of the Group. Therefore, regardless of whether they are Controlling Shareholders or Associates, the Company's view is that all deserving and eligible participants should be equally entitled to take part in and benefit from the Company's fair and equitable system of remuneration.

In terms of the basis for determining the quantum of grant to each Controlling Shareholder and/or Associate, factors which will be taken into account include the designation, capability, experience, scope of responsibility and years of service of the Participant as well as his overall past and potential contributions to the growth and development of the Group.

Please refer to Section 6.1, "Rationale and Justification for Participation" of the 2010 Circular for further details relating to the rationale and justification for the participation of Controlling Shareholders and their Associates.

4.2 Safeguards

As a safeguard against abuse, all members of the Board (and not just members of the Committee) who are neither Controlling Shareholders nor their Associates will be involved in deliberations in respect of the Awards to be granted to or held by Controlling Shareholders and their Associates and the terms and conditions, including the Performance Targets and vesting periods attached to the Awards.

In view of the above, the Company believes that there are sufficient safeguards against abuse resulting from the participation of the Controlling Shareholders and their Associates in the Plan.

Please refer to Section 6.2, "Safeguards" of the 2010 Circular for further details relating to the safeguards against abuse.

4.3 Proposed Participation of Mr. Tan Fuh Gih

Mr. Tan Fuh Gih is presently an Executive Director of the Company and a Board member since 2010. He was previously a Non-Executive Director of the Company and acted as an advisor to the Group from June 2009 to April 2011.

Mr. Tan Fuh Gih's leadership has been instrumental in the development and expansion of the Group. The continued contributions and participation of Mr. Tan Fuh Gih in the general management and strategic expansion of the Group remain vital in ensuring the continued growth and expansion of the Group's business. Participation in the Plan would enable the Company to acknowledge Mr. Tan Fuh Gih's valuable contribution and give recognition to his services. By investing further in the equity interests of the Company through the Plan, Mr. Tan Fuh Gih will be incentivised to help the Group achieve better performance, thus enhancing shareholder value. The Company therefore proposes to allow Mr. Tan Fuh Gih to participate in the Plan (as proposed to be altered).

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The Company proposes to grant an Award under the Plan to Mr. Tan Fuh Gih in accordance with the Rules, and *inter alia*, on the following key terms:

Proposed date of grant of Award : At any time within six (6) months from the date of the AGM

Number of Shares comprised in the Award : 200,000

The Board, save for Mr. Tan Fuh Gih, is of the view that the grant of the proposed Award to Mr. Tan Fuh Gih is beneficial to the Group as the Award will encourage him to take a long-term view of the Group and further align his interests with the Group's collective performance.

The Board, save for Mr. Tan Fuh Gih, when deciding on the Award proposed to be granted to Mr. Tan Fuh Gih took into account his designation, experience, scope of responsibility and his overall past and potential contributions to the growth and development of the Group, as well as the prevailing remuneration package of Mr. Tan Fuh Gih. The Board is of the view that Mr. Tan Fuh Gih's remuneration package (including the Award proposed to be granted) is fair given his contribution to the Group.

The Award on the terms as set out above is consistent with the purposes of the Plan.

4.4 Limits

Under the Listing Rules and the Rules, the aggregate number of Shares available under the Plan and such other share-based incentive schemes (if any) shall not exceed 15% of the total number of issued Shares (excluding treasury shares) on the day immediately preceding the date on which the Award shall be granted.

The aggregate number of Shares available to Controlling Shareholders and their Associates shall not exceed 25% of the Shares available under the above schemes and the number of Shares available to each Controlling Shareholder or his Associate shall not exceed 10% of the Shares available under the above schemes.

As at the Latest Practicable Date, the total number of issued Shares is 671,430,704 Shares. The total number of Shares available under the Plan would be 100,714,605 Shares, representing 15% of the total number of issued Shares. Accordingly, the total number of Shares available to the Controlling Shareholders or their Associates under the Plan is up to 25,178,651 Shares, being 25% of the total number of Shares available under the Plan and the total number of Shares available to each Controlling Shareholder or his Associate is up to 10,071,460 Shares, being 10% of the total number of Shares available under the Plan.

For illustrative purposes only, on the assumption that (i) there is no increase in the number of issued Shares; (ii) the Company does not buy back or otherwise acquire any of its Shares; and (iii) the proposed grant of the Award to Mr. Tan Fuh Gih is fully granted, the aggregate number of New Shares available to Mr. Tan Fuh Gih would be 200,000 Shares, representing approximately 0.20% of the number of Shares available under the Plan as at the Latest Practicable Date. In addition, 844,327 Shares (representing approximately 0.84% of the number of Shares available under the Plan as at the Latest Practicable Date) had been delivered to Mr. Robert Chua Swee Chong, a former Controlling Shareholder, upon vesting of the Award granted to him in FY2011. Save as disclosed above, no other Awards have been granted to Controlling Shareholders and their Associates under the Plan. Accordingly, the total number of Shares available to Mr. Tan Fuh Gih and Mr. Robert Chua Swee Chong under the Plan amount to 1,044,327 Shares (representing approximately 1.04% of the number of Shares available under the Plan as at the Latest Practicable Date) and the grant of the Award to Mr. Tan Fuh Gih would be within the limits prescribed under the Listing Rules and the Rules.

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5. THE PROPOSED CHANGE OF AUDITORS

5.1 Rationale

PwC, the Company's outgoing auditors, have served as Auditors of the Company for five (5) years since 2010. PwC was re-appointed as Auditors of the Company at the last annual general meeting of the Company held on 29 April 2014 to hold office until the conclusion of the next annual general meeting of the Company.

As part of ongoing good corporate governance practices, the Directors had earlier decided that it would be timely to effect a change of independent auditors. PwC, the outgoing auditors, will accordingly not be seeking re-election at the forthcoming annual general meeting. KPMG was selected for the proposed appointment after competitive proposals were evaluated. The partner-in-charge from KPMG will be Mr. Lucas Tran. There is no change in the audit scope.

For the Proposed Change of Auditors, the Directors and the Audit Committee considered several factors, namely, feedback from the management of the Company, cost efficiencies for the Group, the credentials of KPMG, the adequacy of resources of KPMG, their experience and audit engagements, the number and expertise of the firm's supervisory and professional staff who will be assigned to the audit the Company's consolidated financial statements and KPMG's proposed audit arrangements for the Group.

PwC had on 2 April 2015 given their resignation as Auditors of the Company, and KPMG had on 6 April 2015 given their written consent to be appointed as Auditors of the Company. Pursuant to Section 205(15) of the Companies Act, the resignation of PwC will take effect upon the appointment of KPMG as Auditors at the AGM. The appointment of KPMG would take effect upon the approval of the same by Shareholders at the AGM.

5.2 Rule 1203(5) of the Listing Rules

In accordance with the requirements of Rule 1203(5) of the Listing Rules:

- (a) the outgoing auditors, PwC, have confirmed in their letter dated 6 April 2015 that they are not aware of any professional reasons why the new auditors, KPMG, should not accept appointment as Auditors of the Company;
- (b) the Company confirms that there were no disagreements with the outgoing auditors, PwC, on accounting treatments within the last 12 months;
- (c) the Company confirms that, other than set out above, it is not aware of any circumstances connected with the proposed change of Auditors that should be brought to the attention of Shareholders;
- (d) the Company confirms that the specific reasons for the Proposed Change of Auditors are disclosed in Section 5.1 above; and
- (e) the Company confirms that it complies with Rules 712, Rule 715 and Rule 716 of the Listing Rules in relation to the appointment of KPMG, as set out in Sections 5.3 and 5.4 of this Appendix.

5.3 Requirements under Rule 712 of the Listing Rules

The Directors, having considered the factors set out in Section 5.1 of this Appendix, are of the opinion that KPMG will be able to meet the audit requirements of the Group under Rule 712 of the Listing Rules.

LETTER TO SHAREHOLDERS

5.4 Requirements under Rules 715 and 716 of the Listing Rules

Following Shareholders' approval for the Proposed Change of Auditors, KPMG will become Auditors of the Company and of such subsidiaries of the Company in place of PwC.

KPMG will be appointed to conduct an audit on the consolidated financial statements of the Company and the financial statements of its subsidiaries incorporated in Singapore. Where necessary, the Company will appoint member firms of KPMG to conduct audit of its subsidiaries incorporated in overseas for the purpose of the consolidation of the financial statements of the Group.

5.5 Information on KPMG

KPMG in Singapore is part of a global network of professional services firms providing audit, tax and advisory services. The independent member firms of the KPMG network operate in 155 countries and have more than 162,000 professional worldwide.

For more information about KPMG, please visit www.kpmg.com.sg.

6. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, the interests of the Directors and Substantial Shareholders in the Shares, as recorded in the Company's register of Directors' interest in Shares and register of Substantial Shareholders' interest in Shares, are as follows:

	Direct Interest		Deemed Interest ⁽²⁾	
	No. of Shares ⁽¹⁾	%	No. of Shares ⁽¹⁾	%
Directors				
Lim How Teck	200,000	0.03	–	–
Tan Fuh Gih ^{4(i) and 4(ii)}	96,320,329	14.35	39,557,500	5.89
Alex Yeo Kian Teong ⁽³⁾	12,952,400	1.93	85,000	0.01
Tang Kheng Guan Kelvin	50,000	0.01	–	–
Ho Geok Choo Madeleine ⁽⁵⁾	–	–	1,150,000	0.17
Substantial Shareholders (other than Directors)				
Tan Wei Min	83,238,146	12.40	–	–
Tan Hoo Lang ^{4(i) and 4(iii)}	–	–	135,319,329	20.15
Tan Kim Seng ⁴⁽ⁱ⁾	63,696,627	9.49	39,357,500	5.86
Kim Seng Holdings Pte Ltd	39,357,500	5.86	–	–
Ang Boon Cheow Edward	36,804,418	5.48	–	–
Robert Chua Swee Chong	36,322,163	5.41	–	–

Notes:

(1) Based on 671,430,704 Shares as at the Latest Practicable Date.

(2) Deemed interest means interest determined pursuant to Section 4 of the Securities and Futures Act (Chapter 289 of Singapore).

(3) Alex Yeo Kian Teong is deemed to be interested in the 85,000 Shares held by his spouse.

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- (4) (i) By virtue of Section 4 of the Securities and Futures Act, each of Tan Fuh Gih, Tan Kim Seng and Tan Hoo Lang holds more than 20% of the shares of Kim Seng Holdings Pte Ltd and they are deemed to be interested in the 39,357,500 Shares held by Kim Seng Holdings Pte. Ltd.
- (ii) Tan Fuh Gih is deemed to be interested in the 200,000 Shares held through DBS Nominees Pte. Ltd.
- (iii) Tan Hoo Lang is deemed to be interested in the Shares held through the following nominee accounts:
- (a) 80,000,000 Shares held through UBS AG (Citibank Nominee) Pte. Ltd.; and
- (b) 15,961,829 Shares held through Credit Suisse (Singapore) Nominees Pte. Ltd.
- (5) Ho Geok Choo Madeleine is deemed to be interested in the 1,150,000 Shares held through the following nominee accounts:
- (a) 1,117,000 Shares held through DB Nominees (S) Pte Ltd; and
- (b) 33,000 Shares held through Credit Suisse (Singapore) Nominees Pte Ltd.

7. RECOMMENDATION BY THE AUDIT COMMITTEE

The Audit Committee has reviewed and deliberated, and after taking into consideration the suitability of KPMG and the requirements of the Listing Rules, has recommended the Proposed Change of Auditors.

8. RECOMMENDATIONS BY THE DIRECTORS

8.1 The proposed Share Buyback Mandate

Having reviewed, *inter alia*, the terms and rationale of the proposed Share Buyback Mandate, the Directors are of the opinion that the adoption of the proposed Share Buyback Mandate is in the best interests of the Company, and accordingly recommend that Shareholders vote in favour of the ordinary resolution relating to the adoption of the proposed Share Buyback Mandate.

8.2 The proposed alterations to the Plan

The Directors are all eligible to participate in, and are therefore, interested in the proposed alterations to the Plan. Accordingly, the Directors have abstained from making any recommendation as to how Shareholders should vote in respect of the ordinary resolution relating to the proposed alterations to the Plan.

8.3 The proposed participation of Mr. Tan Fuh Gih

The Directors are all eligible to participate in, and are therefore, interested in the proposed participation of Mr. Tan Fuh Gih in the Plan (as proposed to be altered). Accordingly, the Directors have abstained from making any recommendation as to how Shareholders should vote in respect of the ordinary resolution relating to the proposed participation of Mr. Tan Fuh Gih in the Plan.

8.4 The proposed grant of an Award to Mr. Tan Fuh Gih

The Directors are all eligible to participate in, and are therefore, interested in the proposed grant of an Award to Mr. Tan Fuh Gih under the Plan (as proposed to be altered). Accordingly, the Directors have abstained from making any recommendation as to how Shareholders should vote in respect of the ordinary resolution relating to the proposed grant of an Award to Mr. Tan Fuh Gih under the Plan.

8.5 The Proposed Change of Auditors

The Directors, having considered, *inter alia*, the rationale of the Proposed Change of Auditors, believe that the Proposed Change of Auditors is in the best interests of the Company and recommend that Shareholders vote in favour of the ordinary resolution relating to the Proposed Change of Auditors.

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9. ABSTENTION FROM VOTING

9.1 Directors

As all the Directors are entitled to participate in the Plan (as proposed to be altered) and the Scheme, the Directors shall abstain from voting at the AGM in respect of the ordinary resolutions relating to the proposed alterations to the Plan, the proposed participation of Mr. Tan Fuh Gih in the Plan and the proposed grant of the Award to Mr. Tan Fuh Gih pursuant to the Plan, and shall not accept appointments as proxies for voting at the AGM in respect of the aforesaid ordinary resolutions unless the Shareholder concerned shall have given specific instructions in his Proxy Form as to the manner in which his votes are to be cast for each of the aforesaid ordinary resolutions.

9.2 Eligible Shareholders

Any Shareholder who is eligible to participate in the Plan (as proposed to be altered) and the Scheme shall abstain from voting at the AGM in respect of the ordinary resolutions in respect of the proposed alterations to the Plan, the proposed participation of Mr. Tan Fuh Gih in the Plan, and the proposed grant of the Award of Mr. Tan Fuh Gih pursuant to the Plan. Such Shareholders should also not accept appointments as proxies for voting at the AGM in respect of the aforesaid ordinary resolutions unless the Shareholder concerned shall have given specific instructions in his Proxy Form as to the manner in which his votes are to be cast for the aforesaid ordinary resolutions.

10. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Appendix and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this Appendix constitutes full and true disclosure of all material facts about the proposed Share Buyback Mandate, the proposed alterations to the Plan, the proposed participation of Mr. Tan Fuh Gih in the Plan (as proposed to be altered), the proposed grant of an Award to Mr. Tan Fuh Gih pursuant to the Plan, the Proposed Change of Auditors, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Appendix misleading.

Where information in this Appendix has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Appendix in its proper form and context.

11. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at 60 Penjuru Lane, Singapore 609214 during normal business hours from the date of this Appendix up to the date of the AGM:

- (a) the Annual Report 2014;
- (b) the Memorandum and Articles of Association of the Company
- (c) a copy of the 2010 Circular;
- (d) a copy of the rules of the Plan;

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- (e) the resignation letter dated 2 April 2015 from PwC;
- (f) the letter of consent to act as Auditors dated 6 April 2015 from KPMG;
- (g) the professional clearance letter to KPMG dated 6 April 2015 from PwC;

Yours faithfully
For and on behalf of the Board of Directors of
SWISSCO HOLDINGS LIMITED

Lim How Teck
Chairman

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The alterations which are proposed to be made to the Plan are set out below. For ease of reference, the full text of the existing Rules which are proposed to be altered have also been reproduced and the alterations underlined.

1. Proposed Alterations to Existing Rule 2.1

By:

(a) inserting the following new definitions in Rule 2.1 of:

- (i) “Group Non-Executive Director” immediately after the existing definition of “Group Executive Director”; and
- (ii) “Listing Manual” immediately after the new definition of “Group Non-Executive Director”,

“Group Non-Executive Director” : A director of the Company and/or any of its subsidiaries, as the case may be, who is not a Group Executive Director, including independent Directors

“Listing Manual” : The listing rules of the SGX-ST, as amended, modified or supplemented from time to time

(b) deleting the existing definition of “Catalist Rules” in Rule 2.1; and

(c) deleting the existing definition of “Committee” in Rule 2.1 in its entirety and substituting it with the following:

“Committee” : A committee comprising Directors and such other persons (if any) as may be duly authorised and appointed by the Board to administer the Plan

2. Existing Rule 4.1

4.1 *Subject to the absolute discretion of the Committee, the following persons shall be eligible to participate in the Plan:*

(a) *Group Executive Directors; and*

(b) *all confirmed full time managers (or employees holding an equivalent or more senior position or appointment) of the Group,*

provided that, as of the Offer Date, such persons have attained the age of 21 years, are not undischarged bankrupts and have not entered into any compositions with their respective creditors, and in the case of full time managers (or employees holding an equivalent or more senior position or appointment), must have been in the employment of the Group for at least 12 months, or such shorter period as the Committee may determine.

Proposed Alterations to Existing Rule 4.1

By deleting Rule 4.1 in its entirety and substituting therefor the following:

4.1 Subject to the absolute discretion of the Committee, the following persons shall be eligible to participate in the Plan:

(a) Group Executive Directors;

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- (b) all confirmed full time managers (or employees holding an equivalent or more senior position or appointment) of the Group; and
- (c) Group Non-Executive Directors,

provided that, as of the Offer Date, such persons have attained the age of 21 years, are not undischarged bankrupts and have not entered into any compositions with their respective creditors, and in the case of full time managers (or employees holding an equivalent or more senior position or appointment), must have been in the employment of the Group for at least 12 months, or such shorter period as the Committee may determine.

3. Existing Rule 7.1

7.1 *Subject to Rule 4 and Rule 5, the number of Shares which are the subject of each Award to be granted to a Participant under the Plan shall be determined at the absolute discretion of the Committee, which shall take into consideration, where applicable, factors such as the Participant's rank, past performance, length of service, contribution to the success and development of the Group, potential for future development of the Participant and the prevailing market and economic conditions.*

Proposed Alterations to Existing Rule 7.1

By deleting Rule 7.1 in its entirety and substituting therefor the following:

7.1 Subject to Rule 4 and Rule 5, the number of Shares which are the subject of each Award to be granted to a Participant under the Plan shall be determined at the absolute discretion of the Committee, which shall take into consideration, where applicable, factors including (but not limited to), in the case of a Group Employee, the Participant's rank, past performance, length of service, contribution to the success and development of the Group, potential for future development of the Participant and the prevailing market and economic conditions., and in the case of a Group Non-Executive Director, the Participant's extent of involvement and responsibilities shouldered, the scope of advice given, the Participant's board and board committee appointments and attendance, and his contribution to the success and development of the Group.

4. Existing Rule 8

8. PERFORMANCE TARGET

Awards may only be vested, and consequently any Shares comprised in such Awards shall only be delivered, upon the Committee being satisfied at its absolute discretion, taking into account factors such as his past performance, length of service, contribution to the success and development of the Group and prevailing market and economic conditions, that the Participant has achieved the Performance Target.

Proposed Alterations to Existing Rule 8

By deleting Rule 8 in its entirety and substituting therefor the following:

8. PERFORMANCE TARGET

Awards may only be vested, and consequently any Shares comprised in such Awards shall only be delivered, upon the Committee being satisfied at its absolute discretion, taking into account factors including (but not limited to), in the case of a Group Employee, the Participant's rank, past performance, length of service, contribution to the success and development of the Group, potential for future development of the Participant and the prevailing market and economic conditions., and in the case of a Group Non-Executive Director, the Participant's extent of involvement and responsibilities shouldered, the scope of advice given, the Participant's board and board committee appointments and attendance, and his contribution to the success and development of the Group, that the Participant has achieved the Performance Target.

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5. Existing Rule 9

9. VESTING OF AWARDS

9.1 *Notwithstanding that a Participant may have met his Performance Target, no Awards shall be vested in the event of:*

- (a) *the decision of the Committee, in its absolute discretion, to revoke or annul such Award;*
- (b) *the cessation of employment of a Participant;*
- (c) *the bankruptcy of a Participant;*
- (d) *the misconduct of a Participant; and*
- (e) *a take-over, winding-up or reconstruction of the Company.*

9.2 *In general, upon the cessation of employment of a Participant, an Award then held by such Participant shall immediately lapse without any claim whatsoever against the Company and/or the Group.*

9.3 *If the cessation is due to certain specified reasons (for example, ill health, injury or disability or redundancy or retirement or death), the Committee may, in its absolute discretion, preserve all or any part of any Award and decide either to vest some or all of the Shares which are the subject of the Award or to preserve all or part of any Award until the end of the relevant Vesting Period. In exercising its discretion, the Committee will take into account all circumstances on a case-by-case basis, including (but not limited to) the contributions made by that Participant and the extent to which the applicable performance conditions and targets have been satisfied.*

9.4 *Upon the occurrence of any of the events specified in Rule 9.1(a), (c) and (d), an Award then held by a Participant shall immediately lapse without any claim whatsoever against the Company and/or the Group.*

9.5 *Upon the occurrence of any of the events specified in Rule 9.1(e), the Committee will consider, at its discretion, whether or not to release any Award, and will take into account all circumstances on a case by case basis, including (but not limited to) the contributions made by that Participant.*

9.6 *Save as provided and for the avoidance of doubt, the Shares under an Award shall nevertheless be released to a Participant as long as he has fulfilled his Performance Target and notwithstanding a transfer of his employment within any company in the Group or any apportionment of Performance Target within any company within the Group.*

9.7 *If a Participant has fulfilled his Performance Target but dies before the Shares under an Award are released, the Shares under the Award shall in such circumstances be given to the personal representatives of the Participant.*

Proposed Alterations to Existing Rule 9

By deleting Rule 9 in its entirety and substituting therefor the following:

9. VESTING OF AWARDS

9.1 Notwithstanding that a Participant may have met his Performance Target, no Awards shall be vested in the event of:

- (a) the decision of the Committee, in its absolute discretion, to revoke or annul such Award;

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- (b) the cessation of employment of a Participant;
- (c) where a Participant, being a Group Non-Executive Director, ceases to be a Director of the Company or the relevant subsidiary, for any reason whatsoever;
- (d) the bankruptcy of a Participant;
- (e) the misconduct of a Participant; and
- (f) a take-over, winding-up or reconstruction of the Company.

9.2 In general, upon the cessation of employment of a Participant, an Award then held by such Participant shall immediately lapse without any claim whatsoever against the Company and/or the Group.

9.3 If the cessation is due to certain specified reasons (for example, ill health, injury or disability or redundancy or retirement or death), the Committee may, in its absolute discretion, preserve all or any part of any Award and decide either to vest some or all of the Shares which are the subject of the Award or to preserve all or part of any Award until the end of the relevant Vesting Period. In exercising its discretion, the Committee will take into account all circumstances on a case-by-case basis, including (but not limited to) the contributions made by that Participant and the extent to which the applicable performance conditions and targets have been satisfied.

9.4 Upon the occurrence of any of the events specified in Rule 9.1(a), (d) and (e), an Award then held by a Participant shall immediately lapse without any claim whatsoever against the Company and/or the Group.

9.5 Upon the occurrence of any of the events specified in Rule 9.1(f), the Committee will consider, at its discretion, whether or not to release any Award, and will take into account all circumstances on a case by case basis, including (but not limited to) the contributions made by that Participant.

9.6 Save as provided and for the avoidance of doubt, the Shares under an Award shall nevertheless be released to a Participant as long as he has fulfilled his Performance Target and notwithstanding a transfer of his employment within any company in the Group or any apportionment of Performance Target within any company within the Group.

9.7 If a Participant has fulfilled his Performance Target but dies before the Shares under an Award are released, the Shares under the Award shall in such circumstances be given to the personal representatives of the Participant.

6. Existing Rule 14.3

14.3 *The following disclosure (as applicable) will be made by the Company in its annual report for so long as the Plan continues in operation:*

- (a) *the names of the members of the Committee administering the Plan;*
- (b) *the information required in the table below for the following Participants of the Plan:*
 - (i) *Directors of the Company;*
 - (ii) *Controlling Shareholders and their Associates; and*

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- (iii) *full time managers (or employees holding an equivalent or more senior position or appointment) (other than those in paragraph (b)(i) and (ii) above), who receive 5% or more of the total number of Shares available under the Plan;*

Name of Participant	Total number of Shares comprised in Awards under the Plan during the financial year under review (including terms)	Aggregate Number of Shares Comprised in Awards vested to such Participant since commencement of Plan to the end of the financial year under review	Aggregate Number of Shares comprised in Awards issued since commencement of Plan to the end of the financial year under review	Aggregate Number of Shares comprised in Awards which have not been released as at the end of the financial year under review

- (c) (i) *the names of and number and terms of Awards granted to each director or employee of the parent company and its subsidiaries who receives 5% or more of the total number of Shares comprised in Awards available to all directors and employees of the parent company and its subsidiaries under the Plan, during the financial year under review; and*
- (ii) *the aggregate number of Shares comprised in Awards vested to the directors and employees of the parent company and its subsidiaries for the financial year under review, and since the commencement of the Plan to the end of the financial year under review;*
- (d) *the number and proportion of Shares comprised in Awards granted at a discount during the financial year under review in respect of every 10% discount range, up to the maximum quantum of discount granted; and*
- (e) *any other information required to be so disclosed pursuant to the Catalist Rules and all other applicable laws and requirements,*

provided that if any of the above requirements is not applicable, an appropriate negative statement should be included therein.

Proposed Alterations to Existing Rule 14.3

By deleting Rule 14.3 in its entirety and substituting therefor the following:

14.3 The following disclosure (as applicable) will be made by the Company in its annual report for so long as the Plan continues in operation:

- (a) the names of the members of the Committee administering the Plan;
- (b) the information required in the table below for the following Participants of the Plan:
- (i) Directors of the Company;
- (ii) Controlling Shareholders and their Associates; and

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- (iii) full time managers (or employees holding an equivalent or more senior position or appointment) (other than those in paragraph (b)(i) and (ii) above), who receive 5% or more of the total number of Shares available under the Plan;

Name of Participant	Total number of Shares comprised in Awards under the Plan during the financial year under review (including terms)	Aggregate number of Shares comprised in Awards vested to such Participant since commencement of Plan to the end of the financial year under review	Aggregate number of Shares comprised in Awards issued since commencement of Plan to the end of the financial year under review	Aggregate number of Shares comprised in Awards which have not been released as at the end of the financial year under review

- (c) (i) the names of and number and terms of Awards granted to each director or employee of the parent company and its subsidiaries who receives 5% or more of the total number of Shares comprised in Awards available to all directors and employees of the parent company and its subsidiaries under the Plan, during the financial year under review; and
- (ii) the aggregate number of Shares comprised in Awards vested to the directors and employees of the parent company and its subsidiaries for the financial year under review, and since the commencement of the Plan to the end of the financial year under review;
- (d) the number and proportion of Shares comprised in Awards granted at a discount during the financial year under review in respect of every 10% discount range, up to the maximum quantum of discount granted; and
- (e) any other information required to be so disclosed pursuant to the Listing Manual and all other applicable laws and requirements,

provided that if any of the above requirements is not applicable, an appropriate negative statement should be included therein.

7. Existing Rule 15.1

15.1 *Any or all the provisions of the Plan may be modified and/or altered at any time and from time to time by resolution of the Committee, except that:*

- (a) *any modification or alteration which would be to the advantage of the holders of the Awards shall be subject to the prior approval of Shareholders in a general meeting; and*
- (b) *no modification or alteration shall be made without due compliance with the Catalyst Rules and such other regulatory authorities as may be necessary.*

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Proposed Alteration to Existing Rule 15.1

By deleting Rule 15.1 in its entirety and substituting therefor the following:

- 15.1** Any or all the provisions of the Plan may be modified and/or altered at any time and from time to time by resolution of the Committee, except that:
- (a) any modification or alteration which would be to the advantage of the holders of the Awards shall be subject to the prior approval of Shareholders in a general meeting; and
 - (b) no modification or alteration shall be made without due compliance with the Listing Manual and such other regulatory authorities as may be necessary.